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7 || Attorneys for Creditor ARB, INC.

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

11
12 In re
13 PG&E CORPORATION
14 and
15 PACIFIC GAS AND ELECTRIC
16 COMPANY
17
18 Debtors.

Case No. 19-30088 DM (Lead Case)
(Jointly Administered with Case No.
19-30089 DM)

Chapter 11

**NOTICE OF CONTINUED
PERFECTION OF AMENDED
MECHANICS LIEN PURSUANT
TO 11 U.S.C. § 546(b)(2)**

[San Mateo, Document
No. 2019-069673]

18 Affects PG&E Corporation
19 Affects Pacific Gas and Electric Company
 Affects both Debtors.

21 * All papers shall be filed in the Lead
Case No. 19-30088 DM.

23 ARB, Inc. ("ARB"), by and through its undersigned counsel, hereby gives notice of
24 continued perfection of its amended mechanics lien under 11 U.S.C. § 546(b)(2), as
25 follows:

26 1. ARB is a corporation that has provided and delivered labor, services,
27 equipment, and materials for the construction and improvement of projects on real
28 property located in the County of San Mateo, State of California (the "Property") and

1 owned by PG&E Corporation and/or Pacific Gas and Electric Company (collectively, the
2 “Debtors”).

3 2. Through January 29, 2019 (the “Petition Date”), the amount owing to ARB
4 was approximately \$5,648,337.76, exclusive of accruing interest and other charges.

5 Before the Petition Date, on January 25, 2019, ARB properly perfected its mechanics lien
6 under California Civil Code §§ 8400, *et seq.* by timely recording its Mechanics Lien
7 (Claim of Lien) in the amount of \$5,648,337.76 in the Official Records of San Mateo
8 County, State of California, as Document No. 2019-005552 (“Initial Mechanics Lien”).

9 3. On June 14, 2019, and subsequent to recording the Initial Mechanics Lien,
10 ARB amended its lien claim amount and continued the proper perfection of its mechanics
11 lien under California Civil Code §§ 8400, *et seq.* by timely recording an Amended
12 Mechanics Lien (Claim of Lien) in the amount of \$7,627,117.90 in the Official Records of
13 San Mateo County, State of California, as Document No. 2019-045970.

14 4. On July 24, 2019, and subsequent to recording the Initial Mechanics Lien
15 and the amended mechanics lien, ARB further amended its lien claim amount and
16 continued the proper perfection of its mechanics lien under California Civil Code §§ 8400,
17 *et seq.* by timely recording another Amended Mechanics Lien (Claim of Lien) in the
18 amount of \$7,389,405.48 in the Official Records of San Mateo County, State of California,
19 as Document No. 2019-058057.

20 5. After all appropriate credits and offsets, the amount owing to ARB through
21 August 28, 2019, is at least \$7,362,135.01, exclusive of accruing interest and other
22 charges. Accordingly, on August 28, 2019, ARB further amended its lien claim amount
23 and continued the proper perfection of its mechanics lien under California Civil Code
24 §§ 8400, *et seq.* by timely recording its Amended Mechanics Lien (Claim of Lien) in the
25 amount of \$7,362,135.01 in the Official Records of San Mateo County, State of California,
26 as Document No. 2019-069673 (“Amended Mechanics Lien”), a true and correct copy of
27 which is attached hereto as Exhibit A.

28 ///

1 6. Pursuant to California Civil Code § 8460, an action to enforce a lien must be
2 commenced within 90 days after recordation of the claim of lien. However, due to the
3 automatic stay set forth in 11 U.S.C. § 362, ARB is precluded from filing a state court
4 action to enforce its mechanics lien. 11 U.S.C. § 546(b)(2) provides that when applicable
5 law requires seizure of property or commencement of an action to perfect, maintain, or
6 continue the perfection of an interest in property, and the property has not been seized or
7 an action has not been commenced before the bankruptcy petition date, then the claimant
8 shall instead give notice of its intent to enforce the lien within the time fixed by law for
9 seizing the property or commencing an action. See 11 U.S.C. § 546(b)(2); see also In re
10 Baldwin Builders (Village Nurseries v. Gould), 232 B.R. 406, 410-411 (9th Cir. 1999);
11 Village Nurseries v. Greenbaum, 101 Cal.App.4th 26, 41 (Cal. Ct. App. 2002).

12 7. Accordingly, ARB previously provided notice of its rights and its intent to
13 enforce its rights as a perfected lienholder in the Property pursuant to California's
14 mechanics lien law. On February 22, 2019, ARB filed its Notice of Continued Perfection
15 of Mechanics Lien Pursuant to 11 U.S.C. § 546(b)(2) with respect to its Initial Mechanics
16 Lien [Dkt. No. 558] to preserve, perfect, maintain, and continue the perfection of its lien
17 and its rights in the Property to comply with the requirements of California state law,
18 11 U.S.C. §§ 362(a), 362(b)(3), and 546(b)(2), and any other applicable law ("Initial
19 Notice of Continued Perfection").

20 8. Due to the amendment of ARB's Initial Mechanics Lien, ARB hereby
21 provides further notice of its rights and its continuing intent to enforce its rights as a
22 perfected lienholder in the Property pursuant to California's mechanics lien law. ARB is
23 filing and serving this notice to preserve, perfect, maintain, and continue the perfection of
24 its lien and its rights in the Property to comply with the requirements of California state
25 law, 11 U.S.C. §§ 362(a), 362(b)(3), and 546(b)(2), and any other applicable law. The
26 Initial Notice of Continued Perfection and this notice constitute the legal equivalent of
27 having recorded a mechanics lien in the recorder's office for the county where the Property
28 is located and then having commenced an action to foreclose the lien in the proper court.

1 By the Initial Notice of Continued Perfection and this notice, the Debtors and other parties
2 in interest are estopped from claiming that the lawsuit to enforce ARB's mechanics lien
3 was not timely commenced pursuant to applicable state law. ARB intends to enforce its
4 lien rights to the fullest extent permitted by applicable law. The interests perfected,
5 maintained, or continued by 11 U.S.C. § 546(b)(2) extend in and to the proceeds, products,
6 offspring, rents, or profits of the Property.

7 9. The filing of the Initial Notice of Continued Perfection and this notice shall
8 not be construed as an admission that such filing is required under the Bankruptcy Code,
9 California mechanics lien law, or any other applicable law. In addition, ARB does not
10 make any admission of fact or law, and ARB asserts that its lien is senior to and effective
11 against entities that may have acquired rights or interests in the Property previously.

12 10. The filing of the Initial Notice of Continued Perfection and this notice shall
13 not be deemed to be a waiver of ARB's right to seek relief from the automatic stay to
14 foreclose its mechanics lien and/or a waiver of any other rights or defenses.

15 11. ARB reserves all rights, including the right to amend or supplement this
16 notice.

17 Dated: October 3, 2019

RUTAN & TUCKER, LLP
ROGER F. FRIEDMAN
PHILIP J. BLANCHARD
ASHLEY M. TEESDALE

20 By: /s/ Roger F. Friedman

21 Roger F. Friedman
22 Attorneys for Creditor ARB, INC.

EXHIBIT A

RECORDING REQUESTED BY AND MAIL TO:
(Name and mailing address, including city, state,
and ZIP code, of requesting party)

Philip J. Blanchard (State Bar No. 192378)
RUTAN & TUCKER, LLP
611 Anton Blvd., Suite 1400
Costa Mesa, California 92626
(714) 641-5100

2019-069673

2:05 pm 08/28/19 MLL Fee: 101.00

Count of Pages 4

Recorded in Official Records

County of San Mateo

Mark Church

Assessor-County Clerk-Recorder



* \$ R 0 0 0 2 7 4 6 6 2 3 \$ *

L SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

DOCUMENT TITLE

- ABSTRACT OF JUDGMENT
- ACKNOWLEDGMENT OF SATISFACTION OF JUDGMENT
- OTHER (specify): AMENDED MECHANICS LIEN

AMENDED MECHANICS LIEN RECORDED:

DATE: July 24, 2019

DOCUMENT NO.: 2019-058057

AMOUNT: \$7,389,405.48

AMENDED MECHANICS LIEN
(CLAIM OF LIEN)

NOTICE IS HEREBY GIVEN: That, ARB, Inc., 26000 Commercentre Drive, Lake Forest, California 92630 ("Claimant") claims a lien for labor, service, equipment, and/or materials under Section 8400, et seq., of the Civil Code of the State of California, upon the premises hereinafter described, and upon every estate or interest in such structures, improvements and premises held by any party holding any estate or interest therein.

The labor, service, equipment and/or materials were furnished for the construction of those certain buildings, improvements, or structures now upon those certain parcels of land situated in the County of San Mateo, State of California, said land described as follows:

Pipe location by mile point and street location

R-966 San Mateo -Mile Point: 27.07 – 28.85

Gas mainlines on Sunnybrae Blvd. & South Amphlett Blvd. and
Peninsula Ave. & North Amphlett Blvd. and
1080 S Amphlett Blvd.,
San Mateo, CA

R-967 Millbrae (0628-194C) – Mile Point: 33.06 – 33.68

Gas mainlines at 300 Madrone St.,
Millbrae, CA

The lien is claimed for the following kind of labor, services, equipment and/or materials

R-966: Installation of approximately 1.78 miles (9,331 feet) of 24-inch natural gas transmission pipeline L-101 by direct burial and Horizontal Directional Drilling (HDD), 24-inch mainline valve and bridal set, 4-inch valves and taps, cathodic protection, and pipeline markers, and the retirement-in-place of existing 24-inch pipeline between MP 27.07 and MP 28.85 in accordance with the Construction Drawings attached to each sub-project's attachment table as Attachment 01.

R-967: Installation of approximately 0.71 miles (3,764 feet) of 24-inch natural gas transmission pipeline L-101 by direct burial and HDD, approximately 10 feet of 20-inch natural gas transmission pipeline, cathodic protection, and pipeline markers, the removal of internal drip on 30-inch line, and the retirement-in-place of existing 20-inch and 30-inch pipeline between MP 33.06 and MP 33.68 in accordance with the Construction Drawings attached to each sub-project's attachment table as Attachment 01.

The amount due after deducting all just credits and offsets: **\$7,362,135.01**.

The name of the person or company to whom claimant furnished labor, services, equipment or materials is: Pacific Gas and Electric Company, 77 Beale Street, 24th Floor, Mail Code B24W, San Francisco, California 94105.

The owner or reputed owner of said premises is: Pacific Gas and Electric Company, 77 Beale Street, 24th Floor, Mail Code B24W, San Francisco, California 94105.

Exhibit A, Page 6

**NOTICE OF AMENDED MECHANICS LIEN
ATTENTION!**

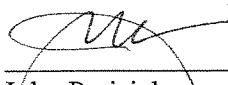
Upon the recording of the enclosed AMENDED MECHANICS LIEN with the county recorder's office of the county where the property is located, your property is subject to the filing of a legal action seeking a court-ordered foreclosure sale of the real property on which the lien has been recorded. That legal action must be filed with the court no later than 90 days after the date the mechanics lien is recorded.

The party identified in the mechanics lien may have provided labor or materials for improvements to your property and may not have been paid for these items. You are receiving this notice because it is a required step in filing a mechanics lien foreclosure action against your property. The foreclosure action will seek a sale of your property in order to pay for unpaid labor, materials, or improvements provided to your property. This may affect your ability to borrow against, refinance, or sell the property until the mechanics lien is released.

BECAUSE THE LIEN AFFECTS YOUR PROPERTY, YOU MAY WISH TO SPEAK WITH YOUR CONTRACTOR IMMEDIATELY, OR CONTACT AN ATTORNEY, OR FOR MORE INFORMATION ON MECHANICS LIENS CO THE CONTRACTORS' STATE LICENSE BOARD WEB SITE AT www.cslb.ca.gov.

Date: August 22, 2019

Claimant: ARB, Inc.

By: 
John Perisich
Executive Vice President

VERIFICATION

I, John Perisich, the undersigned, state that I am the Executive Vice President of ARB, Inc., the claimant named in the foregoing Amended Mechanics Lien. I have read said Amended Mechanics Lien and know the contents thereof, and I certify that the same is true of my own knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: August 22, 2019

ARB, Inc.

By: 
John Perisich
Executive Vice President

SEE ATTACHED PROOF OF SERVICE AFFIDAVIT INCORPORATED HEREIN

Exhibit A, Page 7

PROOF OF SERVICE AFFIDAVIT
STATE OF CALIFORNIA, COUNTY OF ORANGE

I am employed in the County of Orange. I am over the age of eighteen years and not a party to the within Amended Mechanics Lien. My business address is 611 Anton Blvd., 14th Floor, Costa Mesa, California 92626.

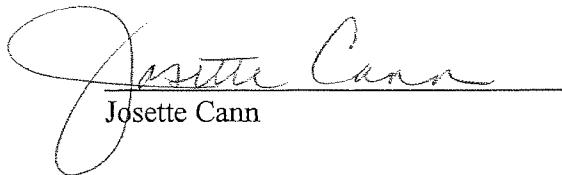
On August 26, 2019, I served a copy of the enclosed **Amended Mechanics Lien and Notice of Amended Mechanics Lien** on the following person(s) by placing true copies thereof enclosed in sealed envelope(s) and/or package(s) addressed as follows:

Owner or Reputed Owner: Pacific Gas and Electric Company
77 Beale Street, 24th Floor
Mail Code B24W
San Francisco, California 94105

BY CERTIFIED MAIL and U.S. MAIL: I am "readily familiar" with the firm's practice of collection and processing correspondence for Certified Mail and First Class U.S. Mail. Under that practice it would be deposited with the U.S. postal service on that same day with postage thereon fully prepaid at Costa Mesa, California, in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

I certify and declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on August 26, 2019, at Costa Mesa, California.


Josette Cann